

SENATE BILL REPORT

SB 5282

As of February 11, 1999

Title: An act relating to the public transportation systems account.

Brief Description: Regulating moneys in the public transportation systems account.

Sponsors: Senators Gardner, Goings and Benton; by request of Transportation Improvement Board.

Brief History:

Committee Activity: Transportation: 2/11/99.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Gene Baxstrom (786-7303)

Background: Transit agencies are authorized to impose local taxes to fund public transportation. Transit agencies are also eligible to impose a motor vehicle excise tax (MVET), which is credited against the state MVET. The amount of MVET received is equal to one of the following, whichever is less: (1) 0.725 percent of vehicle value collected as MVET within the boundaries of the transit district; or (2) the amount of local revenue, generally sales tax, collected specifically for the transit agency.

The Central Puget Sound public transportation account (CPSPTA) and the public transportation systems account (PTSA) were created by the Transportation Funding Act of 1990. These accounts were funded, effective January 1, 1993, by a reduction in the MVET that transit agencies may impose from 0.815 percent to 0.725 percent. The difference between what an agency could match at 0.815 percent MVET and what can be matched at 0.725 percent MVET is placed in one of two transit accounts: the CPSPTA for transit districts in King, Pierce, Snohomish and Kitsap counties, and the PTSA for districts in any other county.

Only transit agencies that contribute to the PTSA are eligible for funding from that account. All public agencies in the Central Puget Sound region are eligible for funds in the CPSPTA.

Revenues to the two accounts, particularly the PTSA, are unstable due to the manner in which they are derived. Revenue to the PTSA is generated only from two transit systems.

Moneys in the two accounts are distributed by the Transportation Improvement Board through a grant application process. Account revenues may be used for planning and development of public transportation capital projects, high occupancy vehicle lanes, and high capacity transportation, and match for federal and Transportation Improvement Board projects.

Summary of Bill: Effective July 1, 1999, the formula for deriving funds to the Central Puget Sound public transportation account (CPSPTA) and the public transportation systems

account (PTSA) is replaced. Funds to the CPSPTA are to be equal to 6.732 percent of motor vehicle excise tax (MVET) levied by transit agencies in King, Kitsap, Pierce and Snohomish counties. Funds to the PTSA are to be equal to 1.158 percent of MVET levied by all transit agencies outside the four-county Central Puget Sound region.

Eligibility for PTSA funds is expanded to all transit agencies imposing the MVET and located outside King, Pierce, Snohomish and Kitsap counties.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on June 30, 1999.